



MINUTES
Airport Advisory Commission
September 28, 2010

COMMISSIONERS PRESENT: Dr. Pat Boone
Joel Miller - Vice Chairman
Wally Miller - Chairman
Bud Patterson
Dr. Chris Thornton
Greg Timm

COMMISSIONERS ABSENT: Dave Elliott

NON-VOTING MEMBERS PRESENT: Randy Courduff, Alternate Commissioner
Tom Hayden, Alternate Commissioner

NON-VOTING MEMBERS ABSENT: Dennis Hisey, El Paso County Commissioner
Rob MacDonald, Pikes Peak Area Council of Governments

CITY STAFF PRESENT: Kelly Jackson, Airport Public Affairs Administrator
John McGinley, Asst. Director, Operations & Maintenance
Neil Ralston, Airport Planning & Development Manager
Gisela Shanahan, Asst. Director, Finance & Administration

CITY STAFF ABSENT: Mark Earle, Director of Aviation

GUESTS PRESENT: Agnes Blachut, COS Intern
Rick Ellis, Canon
Wayne Heilman, Gazette

Next meeting is Tuesday, October 26, 2010.

- **APPROVAL OF THE AUGUST 24, 2010 MINUTES:**

Chairman W. Miller asked for approval of the August 24, 2010 Airport Advisory Commission minutes; no objections; minutes were approved as submitted.

- **PUBLIC OR CITIZEN GROUP COMMENTS:**

None

- **GENERAL BUSINESS**

➔ **Land Use Items – Neil Ralston**

- ◆ Item #1: AR DP 10-00308
- ◆ Item #2: AR DP 10-00296
- ◆ Item #3: AR FP 10-00297
- ◆ Item #4: PPR-10-25

Airport staff reviewed four new land use items this month; three in the City, one in the County. Staff is not recommending objections to item #1 - #3 and that item #4 be tabled pending the results from an FAA airspace analysis. Only one item remains tabled from previous meetings: Item #4 from July 2010.

Commissioner Thornton motioned to approve Items 1-3 and table Item 4; Vice Chairman J. Miller seconded the motion and it was carried by unanimous vote.

➔ **Master Plan Update**

The aviation activity forecast documentation was submitted to the FAA for their review and approval on July 26th. We received a letter from FAA last Thursday (9/23) formally approving the forecast for use in our Master Plan Update. The Planner we are working with at the FAA was very complimentary of the quality of our forecast documentation. We have also continued to advance development of our Facility Requirements analysis. The analysis is nearing completion and we are now planning on providing a technical briefing to the Advisory Group with the results in October.

- **Proby Pkwy Update**

The project is on target to open up the closed section of Proby Parkway between Powers and Hancock on or before October 31st. They are ahead of schedule due to favorable weather conditions. Installation of sound walls is complete; staining is underway as well as installation of curb and gutter between Powers and Hancock. Paving is scheduled to begin later this week. Emphasis of heavy work is shifting to the west end of the project for installation of the bridge infrastructure at Academy.

4. STAFF REPORTS

→ Traffic Report – Gisela Shanahan

- **Enplanements** – Are down 11% for the month and down 7.4% year-to-date. We continue to experience issues with cancellations and delays, which is the same combination we've seen in the past. Weather was not as much an impact in Colorado Springs as it was in June and July. Maintenance and weather delays will impact flights as much as cancellations. For example, a passenger on United that has a short layover in Denver, who experiences a delay at COS, will either be bussed by the airline or may choose to drive to Denver to make their connection. We have two flights in particular that are susceptible. Bad weather in San Francisco hurt us on the United cancellations. We have an SFO flight that turns here to ORD and some days it was San Francisco causing delays or cancellations and other days it was Chicago. Every month it seems to be a different reason.
- **Landed Weight** – Was up 1.5% for the month and down 1.4% year-to-date.
- **Freight and Mail** – Down 1.8% for the month and up 1.2% year-to-date.
- **Aircraft Operations** – Down 11.1% for the month and down 0.9% year-to-date. General Aviation is the primary contributing factor to the decline. Chairman W. Miller asked if the FBO's have any comment on this. Gisela noted that in general corporate doesn't seem to be as much a factor as leisure.
- **Load Factors** – The average load factor for August was 80.9% vs. 83.2% for 2009 and year-to-date 77.6% compared to 76% in 2009. Vice-Chairman J. Miller asked if these load factors are reflective of the whole country. Is there a trigger point for adding new flights? Gisela explained that decisions are based on demand in the market vs. load factors.
- **Seats Available** – Down 5.7% for the month and down 4.6% year-to-date.

We heard from Allegiant that the new flights to Long Beach and Phoenix/Mesa have had very strong sales coming in and out.

→ Finance Report – Gisela Shanahan

- **Expenditures vs. Budget** – The major variances are the same as what we've talked about the rest of the year. Airline Revenue down 12.7% as compared to the budget year-to-date. The primary contributing factor to that is the rate reduction from 2009 to 2010, which translates to collecting less revenue. Contributing to that this month, we completed our airlines settlement, which via our agreement we are required to complete in the month of July. We were efficient in 2009 in keeping expenditures down, so we wrote very healthy checks back to the airlines. When we write these checks we are required to reduce our revenue by that amount because it is revenue that we are not entitled to retain when you have a contractual relationship that drives that. When we have a large settlement, that drives our revenue down further. Commissioner Thornton asked what determines how much we give back. Gisela outlined that we start with our rates at the beginning of the year that are paid by the airlines until mid-year. At that time we study where we are with our revenues and expenditures basis. If we have substantial savings we feel we can carry through the year, this is then calculated through a complex model and new rates are determined. The airlines then pay this rate through the end of the year at which point we

evaluate the bottom line and determine if funds should be returned back to the airlines. Terminal Concessions revenue is 2.2% above budget. Terminal Area is up 2.5% compared to budget and driven by the rental car. We had some MAGs come in higher than what we anticipated as well as some additional ready-return spaces that the rental car companies requested as a result of negotiation of the extension of their agreement. Other Buildings and Areas are down 1.7% as compared to budget. Other Buildings and Areas on the GA side are driving this. We have the airport hangar that is currently vacant and was being used on a per-use basis and had been leased by the jetCenter in 2009. Bottom line is a 5.9% variance from budget.

- **Expenditures vs. Actual 2009** – All the same contributing factors. Revenue is 10.9% less than what was collected in 2009. The primary contributing factor is the reduced rates and return of the settlement. The other significant line item is the interest income.
- **Expenditures vs. 2010 Budget** - Are running 11.3% below the authorized budget. Each year we look at ways to achieve more savings. We've had vacancies in Personnel Services. Repairs and Maintenance – we have a lot of work going on in the airfield thus reducing our maintenance costs. Parking Management is running significantly below the budget due to a delay in timing of the payments for the new revenue control system.
- **Actual vs. Actual** – Fairly flat as compared to last year. We're running 1% above 2009 in the actual category. We see some increases in Personnel due to increases in benefit packages as related to the CSPD and their retirement benefits. Supplies has been related to the winter conditions and chemicals needed.

➔ **Operations and Maintenance – John McGinley**

Operations and Maintenance

- With the construction projects we've kicked off last month, we've been busy with all departments coordinating. Operations has been very busy with badging. Last week we started the 12/30 project and the week before the Taxiway H project. Not only has this been challenging for the badging staff, we've had to do a lot of coordination to get things started.
- We have been doing a lot of coordination with the contractor that does our restriping each year and our seal coating. We have Highlight on the airfield and they are putting overruns on the 35R/17L. They are also painting Taxiway E from end to end as well as putting down the surface painted hold marking signs that are now mandated by the FAA. These are a mirror image of what you see on the guidance signage on the edge of the runway. This is being done on both the east and west runways. We have the painting rolled into the 12/30 project.
- We are doing a lot of snow removal training. We met with the tenants earlier this week to discuss ways to coordinate and communicate.
- We have a new cab company entering the market, Spring Cab. We expect they'll have their permit at the end of September and begin service in October. We had a meeting with Spring Cab and Yellow Cab to discuss how we're going to work together now that there will be two cab companies. We are also revising our Ground Transportation rules and regulations.

GA

- The air show is coming up this weekend. Staff from just about every department has been involved. On Friday, we'll see practice for the air show and Saturday and Sunday will be the actual shows. We had originally discussed with O'Donnell, two complete closures to accommodate the air show, however we are only going to have one to facilitate and A-10 demo. All aerobatics will take place over the west runway.
- On Oct 7-9 the Mooney Convention will be in town. The jetCenter will be the host FBO for this.
- We've made progress on the Minimum Standards. We are no longer working with the consultant that helped us start this project and one of the effects has been that we did not receive an editable document from them so we've had to recreate the entire document. We have drafted responses to all of the comments and are currently discussing the responses in house.
- Oct 13 is the next Airport Operators Group meeting at the Radisson.

➔ Planning and Development – John McGinley

- **Relocation and Reconfiguration of the Operations Communication Center and the Third Floor Administrative Offices** – We've had a delay in getting this out to bid. We had a meeting with the architect and it appears we can get this on the street for bid next Friday. There was a delay getting the specifications and drawings and mechanical drawings back from the architect. When we received them we still had some final changes to make. We expect to get a lot of competition on the project.
- **Checked Baggage System** – As with previous months, a lot of work has been done on this project and we're steadily moving towards 30% design which is due to the TSA on October 21. Over the past month we've had several meetings with Swanson Rink and TSA and right now we're going through the construction phasing of the project and taking a look at task sequence which will then be presented to the airlines. We expect to meet with the airlines over the next week. As of right now, we're on schedule.
- **Runway 12/30** – We kicked this off last week. This is a 110 day project which includes mill and overlay of the runway and reconfiguration of the B2/B3 intersection. If weather is no factor, contractually we are looking at January as opening timeframe. We have communicated with the airlines that there will be a 7 day closure of the west runway during the project so that the contractor can work into the safety area where 12/30 runs into 17R/35L. We considered a relocated threshold on the west runway; we examined the cost and found that it made more sense to do this all at once.
- **Interior Signage** – We are still working on a change order with FSG to complete this project. Over the last month, airport maintenance staff has been finalizing the patch work on the walls and have done a great job.
- **Defense Access Road Design and Construction** – We will have more to report next month. Bids are due today.
- **Rehabilitation of G and H** – We have started work on the Taxiway H project. Taxiway H remains closed Between E and M. The contractor is off to a good start and is currently

ahead of schedule. This is a fast paced 90 day project. We could be doing concrete paving on Oct. 25 and 26. The challenge will be the finish and asphalt shoulder work.

➔ **Director's Report – Gisela Shanahan**

No additional updates.

5. OTHER BUSINESS

Commissioner Patterson asked when Lynx would be stopping operations. Gisela explained that it will go into 2012. They have elected to keep three routes, Colorado Springs being one of them flying under the Lynx certificate. This is just a delay in removing the Q400 from the entire inventory. Then they will become Frontier flights solely.

6. CHAIRMAN'S COMMENTS

- Welcomed Joel Miller as the Vice-Chairman to the Commission and thanked Bud Patterson for his service.
- Chairman W. Miller read a letter of thanks from the Mayor to Greg Timm for his service on the Commission. Greg's resignation is effective this month and Tom Hayden will now be his 'replacement'. Thanks Greg from the Commissioners and the Airport for all you've done on the Airport Advisory Commission. Please join us for an ice cream social after the close of the meeting.
- An updated Commissioner list was distributed along with an Airport Staff Contact list. Additionally, a list of remaining 2010 meeting dates has been given out. Vice-Chairman J. Miller asked if we might consider cancelling the November meeting due to timing and the holidays. It was agreed that this will be discussed at the October meeting. Commissioner Thornton moved to cancel the November meeting unless staff sees the need to hold it as items are received for review. Vice-Chairman J. Miller seconded the motion; it was carried by unanimous vote
- Enclosed in your packet is a CAO A briefing on Amendments 60, 61 and 101.

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
Clarify last paragraph of CAO A briefing paper	Kelly	

Minutes respectfully submitted by:
Kelly Jackson, Airport Public Affairs Administrator